

HOUSE BILL NO. 71

INTRODUCED BY LAKE

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT ~~INDIVIDUALS, SOLE PROPRIETORSHIPS,~~
~~AND ENTITIES SOLELY OWNED BY AN INDIVIDUAL APPLYING FOR LICENSURE AS A MORTGAGE~~
~~BROKER AND AS A LOAN ORIGINATOR~~ AN INDIVIDUAL WHO IS SEEKING LICENSURE AS A MORTGAGE
BROKER AND WHO IS THE SOLE OWNER OF AN ENTITY SEEKING LICENSURE AS A MORTGAGE
BROKER SHALL PAY A SINGLE LICENSE APPLICATION FEE AND A SINGLE LICENSE RENEWAL FEE;
CLARIFYING THAT A DESIGNATED MANAGER MUST BE AN INDIVIDUAL LICENSED AS A MORTGAGE
BROKER; AND AMENDING SECTION 32-9-117 SECTIONS 32-9-117 AND 32-9-122, MCA; AND PROVIDING
AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 32-9-117, MCA, is amended to read:

"32-9-117. Fees -- license renewal -- disposition of fees. (1) (a) Except as provided in subsection
(1)(b), an An individual mortgage broker or an entity seeking licensure as a mortgage broker shall pay an initial
nonrefundable license application fee of \$500. ~~A~~ Except as provided in subsection (1)(b), a A loan originator
shall pay an initial nonrefundable license application fee of \$400. An applicant shall pay one-half of these initial
nonrefundable license application fees for any license period of less than 6 months.

(b) ~~An individual, sole proprietorship, or entity that is solely owned by the applicant for licensure as a~~
~~mortgage broker and as a loan originator~~ WHO IS SEEKING LICENSURE AS A MORTGAGE BROKER AND WHO IS THE SOLE
OWNER OF AN ENTITY THAT IS SEEKING LICENSURE AS A MORTGAGE BROKER shall pay a single initial nonrefundable
license application fee of \$500.

(2) The license of a mortgage broker or loan originator is valid for a 1-year period and expires on June
30. Every licensee shall, on or before May 31 of the year, pay to the department a renewal fee in an amount set
by the department by rule. The department shall establish a single renewal fee for individuals, sole
~~proprietorships, or~~ AND entities described in subsection (1)(b) that are licensed as a mortgage broker and as a
~~loan originator~~ BROKERS. AN INDIVIDUAL DESCRIBED IN SUBSECTION (1)(B) MAY ACT AS A DESIGNATED MANAGER UNDER
32-9-122 AND IS NOT SUBJECT TO ANY ADDITIONAL LICENSE FEES FOR ACTING IN THE CAPACITY OF A DESIGNATED

1 MANAGER. The fees set by the department must be commensurate with the costs of the program. Failure to
2 submit required information or fees within the time prescribed automatically revokes the license.

3 (3) An application for renewal must be accompanied by evidence that the continuing education
4 requirements provided for in 32-9-118 have been met and that there has not been a material change in the
5 status of the licensee in the preceding 12 months.

6 (4) All fees collected under this section must be deposited in the department's state special revenue
7 fund to be used by the department in administering the provisions of this part."

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9 **SECTION 2. SECTION 32-9-122, MCA, IS AMENDED TO READ:**

10 **"32-9-122. Requirement for designated manager.** (1) A mortgage broker that is not a sole
11 proprietorship shall designate to the department ~~a~~ an individual licensed as a mortgage broker within its
12 organization as the designated manager of the organization.

13 (2) If the designated manager ceases to act in that capacity, within 15 days the mortgage broker shall
14 designate another individual licensed as a mortgage broker as designated manager and shall submit information
15 in writing to the department establishing that the subsequent designated manager is in compliance with the
16 provisions of this part."

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18 **NEW SECTION. SECTION 3. EFFECTIVE DATE. [THIS ACT] IS EFFECTIVE ON PASSAGE AND APPROVAL.**

19 - END -